



**REDEVELOPMENT AGENCY**  
***STAFF REPORT***

***MEETING DATE:*** *March 24, 2004*

**FEBRUARY 2004 FINANCE & INVESTMENT REPORT**

**RECOMMENDED ACTION:**

Accept and File Report

**EXECUTIVE SUMMARY:** Attached is the monthly Finance and Investment Report of the Redevelopment Agency of the City of Morgan Hill for the month of February 2004. The report covers activity for the first eight months of the 2003/2004 fiscal year. A summary of the report is included on the first page for the Board's benefit.

The Redevelopment Agency monthly Finance and Investment Report is presented to the Agency Board and our Citizens as part of our ongoing commitment to improve and maintain public trust through communication of our finances, budget and investments. The report also serves to provide the information necessary to determine the adequacy/stability of financial projections and develop equitable resource/revenue allocation procedures.

This report covers all fiscal activity of the Redevelopment Agency.

**FISCAL IMPACT:** As presented.

**Agenda Item # 1**

**Prepared By:**

**Finance Director**

**Submitted By:**

**Executive director**

**REDEVELOPMENT AGENCY OF  
THE CITY OF MORGAN HILL**

**Monthly Financial and Investment Reports**

**February 29, 2004 – 67% Year Complete**



**CITY OF MORGAN HILL  
REDEVELOPMENT AGENCY**

**Prepared by:**

**FINANCE DEPARTMENT**



**REDEVELOPMENT AGENCY OF THE CITY OF MORGAN HILL, CALIFORNIA**  
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2003/04  
FOR THE MONTH OF FEBRUARY 2004 - 67% OF YEAR COMPLETE

**Revenues**

Through February 29, the Redevelopment Agency received \$10,833,005 in property tax increment revenues. Most property tax increment revenues are received between December and April. The Redevelopment Agency, as of February 29, 2004, has collected \$100,000,000 in tax increment revenue under the original plan and has collected \$66,857,226, net of pass-through obligations to other agencies, toward the plan amendment cap of \$147,000,000. Since the \$100 million tax increment cap for the original plan was reached during 1999/2000, all tax increment revenues collected during 2003/2004 were collected under the plan amendment.

An amount of \$197,512 in interest earnings has been received through December. Additional interest earnings earned for the months of January and February have not been included and will be posted in April as part of earnings for the quarter ending March 2004. Other revenues represent charges for services and total \$161,995.

**Expenditures**

Total Redevelopment Agency Capital Projects expenditures and encumbrances equaled \$25,665,632 and were 63% of budget. Of this total, \$7,641,467 represented encumbrances for capital projects and other commitments. If the encumbrances were excluded, the RDA would have spent only 44% of the budget. Expenditures for administrative costs for employee services, supplies, and contract services were 54% of budget. During July, the Agency made a \$2.55 million installment payment towards the purchase of the Sports Complex property. During July, the Agency also spent approximately \$3.5 million for the purchase of the Courthouse Facility property. The Agency has incurred \$4.3 million in acquisition and construction costs related to the Butterfield Blvd. Phase IV Project, has incurred \$5.0 million in costs associated with the construction of the Aquatics Complex, has incurred \$500,000 in costs associated with the Indoor Recreation Center design, and has incurred \$800,000 in street resurfacing costs. All Capital Projects 2003/04 expenditures have used monies collected under the plan amendment.

Budgeted expenditures plus encumbrances for Housing were at 44% of the budget for a total of \$4,149,145. During July, the Agency paid approximately \$3 million for the purchase of the Royal Court Apartments. Although certain loans and grants for various housing loan and grant programs have been committed, the related funds have not been drawn down by the recipients and, hence, are not reflected in the expenditures. All of the 2003/04 housing related expenditures has been funded with tax increment collected under the plan amendment.

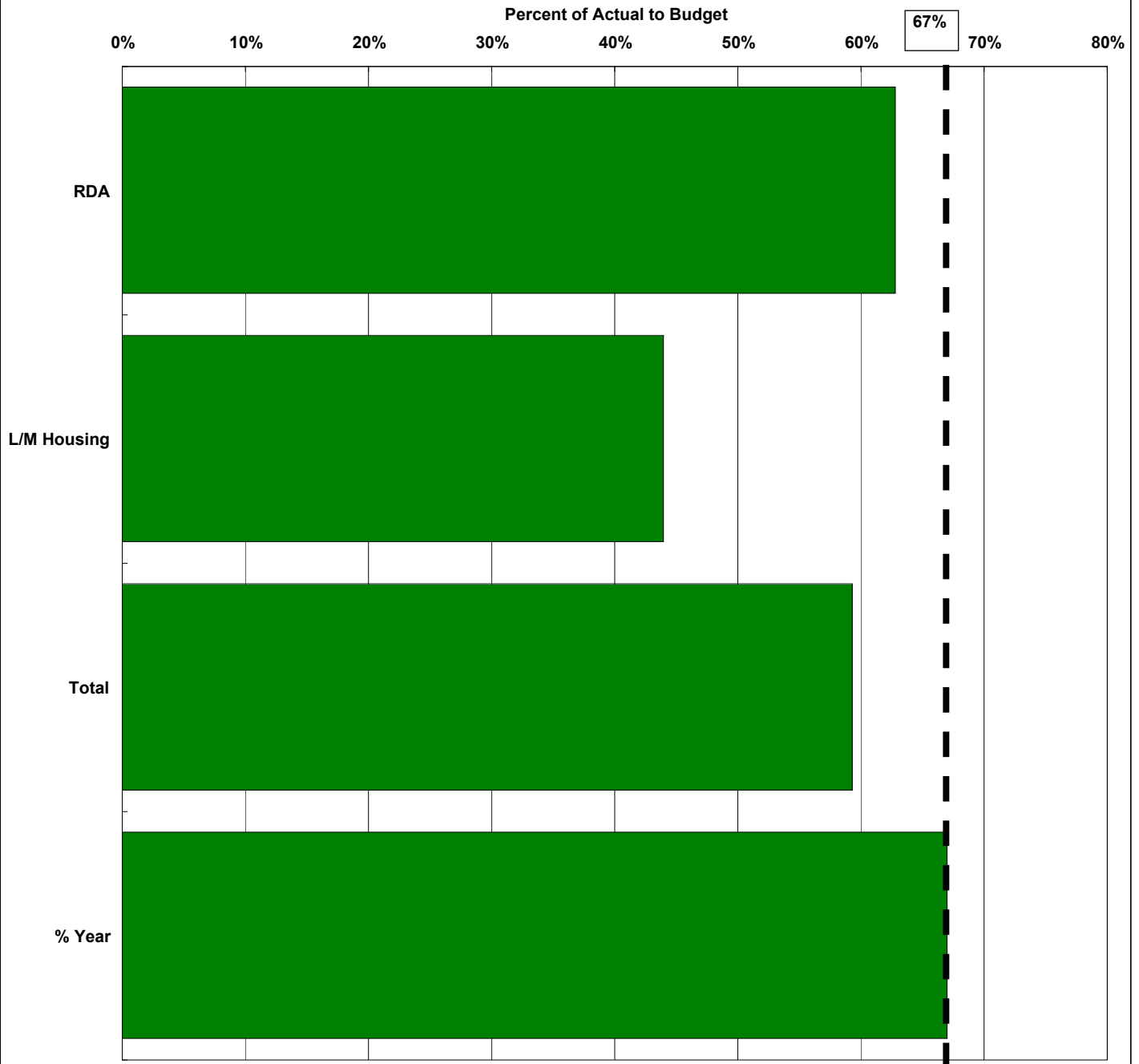
**Fund Balance**

The unreserved fund balance of \$551,308 for the Capital Projects Fund at February 29, 2004, reflected the large amount of current contract encumbrances, not yet expended, and consisted entirely of monies collected under the plan amendment. The unreserved fund balance included future obligations to pay an additional \$3.6 million for the Courthouse Facility, an additional \$3,250,000 for purchase of the Gunderson property, and \$1.61 million for the Lomanto property should the Agency agree to execute its option to purchase in accordance with the agreement. If all these future commitments were subtracted from the \$551,308, the remaining unreserved fund balance at February 29 would be a negative (\$7,908,692). However, these commitments are expected to be paid out over the next 2 to 3 years. Staff will bring a short-term borrowing plan to the Board in the near future to finance the 2003/04 cash flow needs, as provided for in the current 2003/04 budget. The Capital Projects Fund cash balance at February 29 was \$8,209,755.

The unreserved fund balance of \$4,394,777 for the Housing Fund at February 29 consisted of funds all collected under the plan amendment.



# Redevelopment Agency YTD Expenditures



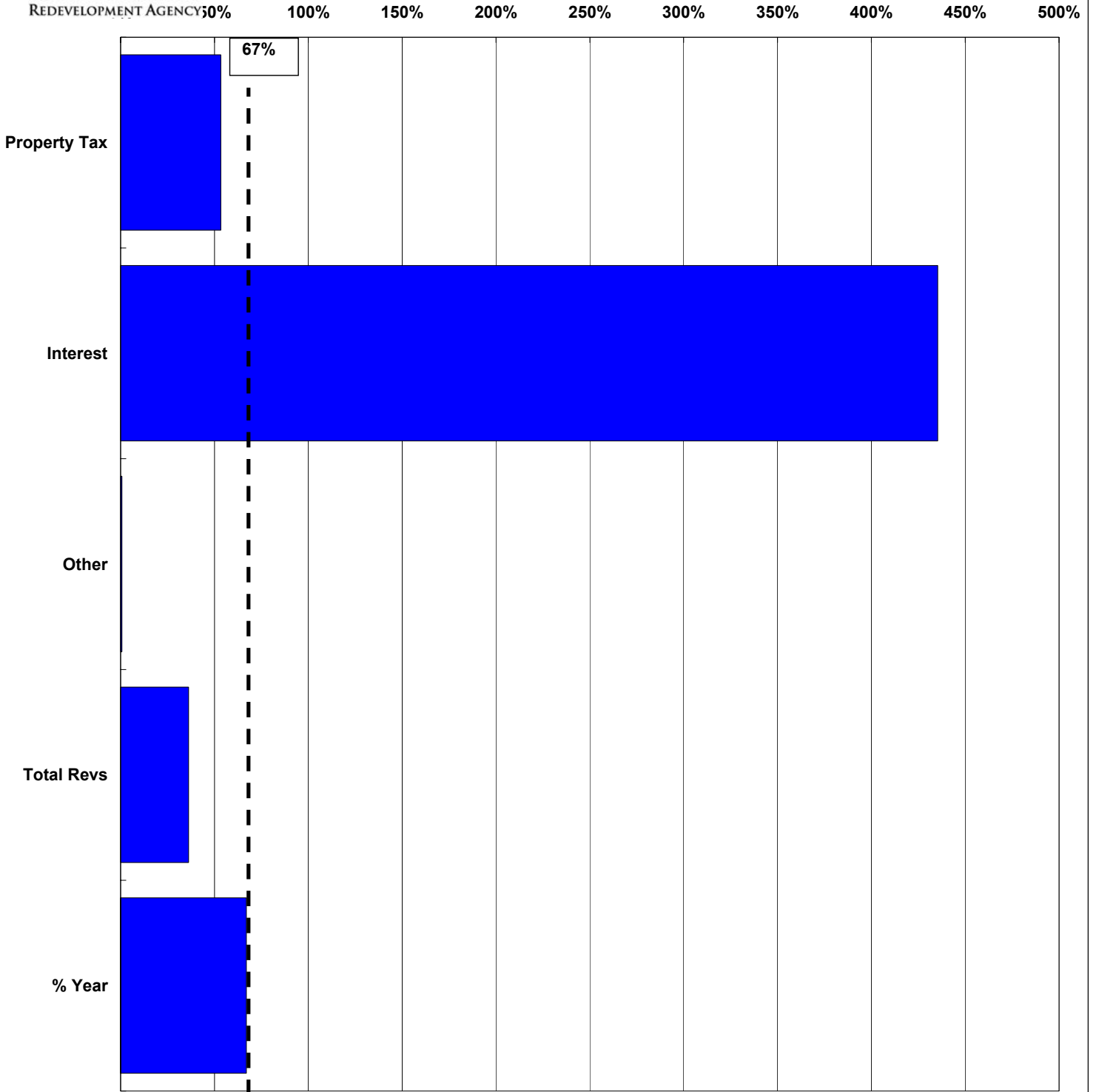
Expenditure Category	Budget	Actual Plus Encumbrances	% of Budget
CAPITAL PROJECTS	\$40,862,203	\$25,665,632	63%
HOUSING	9,438,767	4,149,145	44%
TOTALS	\$50,300,970	\$29,814,777	59%



CITY OF MORGAN HILL  
REDEVELOPMENT AGENCY

# Redevelopment Agency YTD Revenues

Percent of Actual to Budget



REVENUE CATEGORY	BUDGET	ACTUAL	% OF BUDGET	PRIOR YEAR TO DATE	% CHANGE FROM PRIOR YEAR
PROPERTY TAXES	\$17,877,658	\$9,551,420	53%	\$10,038,919	-5%
INTEREST INCOME/RENTS	\$45,364	\$197,512	435%	\$283,566	-30%
OTHER REVENUE	\$23,536,663	\$161,995	1%	\$57,434	182%
TOTALS	\$27,373,112	\$9,910,927	36%	\$10,379,919	-5%



Redevelopment Agency  
 Fund Balance Report - Fiscal Year 2003/04  
 For the Month of February 2004  
 67% of Year Complete

Fund No.	Fund	Fund Balance 06-30-03	Revenues		Expenditures		Year to-Date Deficit or Carryover	Ending Fund Balance		Cash and Investments	
			YTD Actual	% of Budget	YTD Actual	% of Budget		Reserved <sup>1</sup>	Unreserved	Unrestricted	Restricted
317	CAPITAL PROJECTS	\$20,860,548	7,626,965	32%	18,024,165	44%	(10,397,200)	9,912,040	551,308	8,209,755	
327/328	HOUSING	\$24,240,428	2,283,962	60%	4,079,893	43%	(1,795,931)	18,049,519	\$4,394,977	4,469,777	
<b>TOTAL CAPITAL PROJECT FUNDS</b>		<b>\$45,100,976</b>	<b>9,910,927</b>	<b>36%</b>	<b>22,104,058</b>	<b>44%</b>	<b>(12,193,131)</b>	<b>27,961,559</b>	<b>4,946,285</b>	<b>12,679,532</b>	
<b>SUMMARY BY FUND TYPE</b>											
	CAPITAL PROJECTS GROUP	\$45,100,976	9,910,927	36%	22,104,058	44%	(12,193,131)	27,961,559	4,946,285	12,679,532	
<b>TOTAL ALL GROUPS</b>		<b>\$45,100,976</b>	<b>9,910,927</b>	<b>36%</b>	<b>22,104,058</b>	<b>44%</b>	<b>(12,193,131)</b>	<b>27,961,559</b>	<b>4,946,285</b>	<b>12,679,532</b>	
<b>TOTAL CASH AND INVESTMENTS</b>										<b>12,679,532</b>	

<sup>1</sup> Amount reserved for encumbrances, fixed asset replacement, long-term receivables



**Redevelopment Agency**  
**Year to Date Revenues - Fiscal Year 2003/04**  
**For the Month of February 2004**  
**67% of Year Complete**

FUND REVENUE SOURCE	ADOPTED BUDGET	AMENDED BUDGETED	CURRENT YTD ACTUAL	% OF BUDGET	PRIOR YTD	INCREASE (DECREASE) FROM PRIOR YTD	% CHANGE
<b>CAPITAL PROJECTS FUNDS</b>							
<b>317 CAPITAL PROJECTS</b>							
Property Taxes & Supplemental Roll	14,086,573	14,086,573	7,343,297	52%	7,892,549	(549,252)	-7%
Development Agreements				n/a	-	-	n/a
Interest Income, Rents			122,746	n/a	206,437	(83,691)	-41%
Other Agencies/Current Charges	<u>9,450,000</u>	<u>23,536,573</u>	<u>160,922</u>	<u>1%</u>	<u>56,764</u>	<u>104,158</u>	<u>183%</u>
<b>TOTAL CAPITAL PROJECTS</b>	<b><u>23,536,573</u></b>	<b><u>23,536,573</u></b>	<b><u>7,626,965</u></b>	<b><u>32%</u></b>	<b><u>8,155,750</u></b>	<b><u>(528,785)</u></b>	<b><u>-6%</u></b>
<b>327/328 HOUSING</b>							
Property Taxes & Supplemental Roll	3,791,085	3,791,085	2,208,123	58%	2,146,370	61,753	3%
Interest Income, Rent	45,364	45,364	74,766	165%	77,129	(2,363)	-3%
Other	<u>90</u>	<u>90</u>	<u>1,073</u>	<u>1192%</u>	<u>670</u>	<u>403</u>	<u>60%</u>
<b>TOTAL HOUSING</b>	<b><u>3,836,539</u></b>	<b><u>3,836,539</u></b>	<b><u>2,283,962</u></b>	<b><u>60%</u></b>	<b><u>2,224,169</u></b>	<b><u>59,793</u></b>	<b><u>3%</u></b>
<b>TOTAL CAPITAL PROJECTS FUNDS</b>	<b><u>27,373,112</u></b>	<b><u>27,373,112</u></b>	<b><u>9,910,927</u></b>	<b><u>36%</u></b>	<b><u>10,379,919</u></b>	<b><u>(468,992)</u></b>	<b><u>-5%</u></b>



**Redevelopment Agency**  
**Year to Date Expenditures - Fiscal Year 2003/04**  
**For the Month of February 2004**  
**67% of Year Complete**

FUND NO.	FUND/ACTIVITY	THIS MONTH ACTUAL EXPENDITURES	ADOPTED BUDGET	AMENDED BUDGET	YTD EXPENDITURES	OUTSTANDING ENCUMBRANCES	TOTAL ALLOCATED	% OF TOTAL TO BUDGET
317 CAPITAL PROJECTS								
	BAHS Administration	96,067	1,509,317	1,598,923	821,070	46,320	867,390	54%
	BAHS Economic Development	26,090	4,516,120	8,229,928	3,615,186	212,828	3,828,014	47%
	BAHS CIP	<u>775,198</u>	<u>21,320,714</u>	<u>31,033,352</u>	<u>13,587,909</u>	<u>7,382,319</u>	<u>20,970,228</u>	<u>68%</u>
	<b>TOTAL CAPITAL PROJECTS</b>	<b><u>897,355</u></b>	<b><u>27,346,151</u></b>	<b><u>40,862,203</u></b>	<b><u>18,024,165</u></b>	<b><u>7,641,467</u></b>	<b><u>25,665,632</u></b>	<b><u>63%</u></b>
327 AND 328 HOUSING								
	Housing	<u>223,305</u>	<u>4,592,332</u>	<u>9,438,767</u>	<u>4,079,893</u>	<u>69,252</u>	<u>4,149,145</u>	<u>44%</u>
	<b>TOTAL HOUSING</b>	<b><u>223,305</u></b>	<b><u>4,592,332</u></b>	<b><u>9,438,767</u></b>	<b><u>4,079,893</u></b>	<b><u>69,252</u></b>	<b><u>4,149,145</u></b>	<b><u>44%</u></b>
	<b>TOTAL CAPITAL PROJECT FUND</b>	<b>1,120,660</b>	<b>31,938,483</b>	<b>50,300,970</b>	<b>22,104,058</b>	<b>7,710,719</b>	<b>29,814,777</b>	<b>59%</b>





**Redevelopment Agency of the City of Morgan Hill**  
**Balance Sheet Report - Fiscal Year 2003/04**  
**For the Month of February 2004**  
**67% of Year Complete**

	<b>CAPITAL PROJECTS (Fund 317)</b>	<b>Housing (Fund 327/328)</b>
<b>ASSETS</b>		
Cash and investments:		
Unrestricted	8,209,755	4,469,777
Accounts Receivable	3,200	7,806
Loans and Notes Receivable <sup>1</sup>	3,343,358	24,266,521
Advance to Other Funds		
Fixed Assets <sup>2</sup>	71,049	
Other Assets		
<b>Total Assets</b>	<b>11,627,362</b>	<b>28,744,104</b>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	20,180	13,352
Deferred Revenue <sup>3</sup>	1,143,834	6,286,255
Accrued Vacation and Comp Time		
<b>Total liabilities</b>	<b>1,164,014</b>	<b>6,299,607</b>
<b>FUND BALANCE</b>		
Fund Balance		
Reserved for:		
Encumbrances	7,641,467	69,252
Advance to Other Funds		
Properties Held for Resale	71,049	
Loans and Notes Receivable	2,199,524	17,980,267
<b>Total Reserved Fund balance</b>	<b>9,912,040</b>	<b>18,049,519</b>
Unreserved Fund Balance	551,308	4,394,978
<b>Total Fund Balance</b>	<b>10,463,348</b>	<b>22,444,497</b>
<b>Total Liabilities and Fund Balance</b>	<b>11,627,362</b>	<b>28,744,104</b>

<sup>1</sup> Includes Housing Rehab loans and loans for several housing and Agency projects.

<sup>2</sup> Includes RDA properties held for resale.

<sup>3</sup> Includes the deferred payment portion of the loans noted above.



**CITY COUNCIL STAFF REPORT**  
**MEETING DATE:** *March 24, 2004*

Agenda Item # 2

Prepared By:

Asst. to the City Mgr.

Submitted By:

City Manager

**UPDATE ON DEVELOPMENT PROCESSING  
SERVICES STUDY IMPLEMENTATION**

**RECOMMENDED ACTION**

**1. Accept report** on the implementation status of Development Processing Services Study recommendations.

**2. Direct staff** to report back on implementation status in October 2004.

**EXECUTIVE SUMMARY:**

In Fall 2002, the Council received a report from MAXIMUS, Inc. with 39 recommendations for improving the City's development processing services. Since that time, staff have been working to address the recommendations made. Staff last updated the Council on the status of the recommendations on October 15, 2003, and scheduled this follow-up report at that time.

The table in Attachment A shows the current status of each of the recommendations made by MAXIMUS. Twenty-three recommendations have already been put into practice and five more will be complete within the next four months. These include the update of the Planning Division's Policy and Procedures Manual, development of an Architectural Review Board Handbook and Design Review Ordinance, development of PUD guidelines for economically important sites, and negotiation of blanket contracts for environmental review.

As was true in October, several recommendations remain deferred due to budget constraints. With capital investments in City operations currently on hold, it is not possible to implement the recommendations related to expanded use of the Tidemark automated permitting and project staffing software, or to integrate Geographic Information Systems (GIS) software with Tidemark. In addition, the City's hiring freeze has prevented filling the Senior Planner vacancy on an ongoing basis, and the creation of a full-time position for a building maintenance supervisor has been postponed for another year.

A few recommendations have longer timelines for completion. These include the creation of a one-stop permitting center, and the ability to issue permits online.

**FISCAL IMPACT:**

No budget adjustment required at this time.



## Status Report on Implementation of Study Recommendations

No.	Recommendation	Pri- ority	Timeline to Initiate	Responsibility	Cost	Currently budgeted? If not, staff funding recommendations	Current status of this recommen- dation	Staff comments about implementing this recommendation
<b>Cross-departmental Recommendations</b>								
1.0	Implement automated permitting & project tracking in all divisions. Provide tech support and training	1		Community Development Director/Public Works Director	No additional capital cost for CDD. \$50,000 cost for PW is budgeted in current year. Minimal cost for BAHS training.	Implementing Tidemark was budgeted in Public Works. However, significant additional costs for support are likely.	Implement- ation is complete in Planning, but deferred in PW due to budget constraints.	
1.1	Acquire capability to provide online access for issuance of simple permits, for inspection requests and to provide access to project status	2	Within 3 years. (Depends on avail- ability of reliable software)	Community Development Director/Public Works Director	IVR system in place for inspection requests by phone. Capital cost for e-permitting, incl. project status approx. \$125,000. Maint. cost \$6,000 per yr.	Not budgeted.	Pending. On schedule for 05/06 implemen- tation, as recommended.	Based on reports from other communities, this technology is not fully functional at this time. Staff plans to wait until FY 05/06, in order to deploy a product that has been tested and reliably used elsewhere.
1.2	Acquire capability to integrate GIS with the permitting system	2	FY 2003-04	Public Works Director	Capital cost approx. \$10,000. Annual maint. cost unknown	Not budgeted.	Deferred due to budget constraints.	A GIS needs analysis has been completed.
2.0	Work toward creation of a one-stop permitting center housing all development review departments	3	FY2007-08	City Manager/ City Council	Unknown	Remodeling the library for City use is in the CIP budget for FY 03-04. However, best estimates at this time are that the earliest this could occur is in FY 05-06.	Pending construction of a new library.	The current CIP assumes that a new Library will be built on Alkire Road and that the old library will be remodeled and used by CDD and PW staff.

No.	Recommendation	Pri- ority	Timeline to Initiate	Responsibility	Cost	Currently budgeted? If not, staff funding recommendations	Current status of this recommen- dation	Staff comments about implementing this recommendation
2.1	Assign Engineering representative to City Hall part-time	1	FY 2002-03	Public Works Director	Minimal cost	No budget impact.	Completed.	Assignment began November 11, 2002.
3.0	Obtain expedited processing for economically important projects through the Econ. Dev. Coordinating Group and division managers	1	Immediate	BAHS Director/ Community Development Director/Public Works Director	No cost	No budget impact.	Complete, and ongoing.	This procedure has been incorporated. Staff will continue to evaluate the effectiveness of our procedures for processing economically important projects.
3.1	Document schedules for expedited processing of economically important projects	1	Immediate	BAHS Director/ Division Managers	No cost	No budget impact.	Complete, and ongoing.	
<b>Planning Division Recommendations</b>								
4.0	Fill Senior Planner vacancy and fund half-time contract planner	1	FY 2002-03	Community Development Director	Sr. Planner \$93,000 in current budget. Half-time contract planner approx. \$50,000		Deferred due to budget constraints.	The Senior Planner has not been hired due to the hiring freeze. Two part-time contract planners handle day-to-day and long-range planning.

<b>No.</b>	<b>Recommendation</b>	<b>Pri- ority</b>	<b>Timeline to Initiate</b>	<b>Responsibility</b>	<b>Cost</b>	<b>Currently budgeted? If not, staff funding recommendations</b>	<b>Current status of this recommen- dation</b>	<b>Staff comments about implementing this recommendation</b>
5.0	Upgrade performance standards and improve performance measurement for development review in Planning	1	FY 2002-03	Planning Manager	No cost	No budget impact.	In process. Work began 4/03 and is scheduled to be completed in FY 2004/05.	The Division Policy & Procedures Manual will be updated to incorporate these recommendations.
5.1	Begin routing applications within two work days	1	Underway	Planning Manager	No cost	No budget impact.	Complete	
5.2	Establish timelines for initial reviews and re-submittal reviews	1	Immediate	Planning Manager	No cost	No budget impact.	In process	A streamlined process has been developed. Specific timelines will be included in the update of the policy and procedures manual.
5.3	Comply with recommended timelines for building plan check review	1	When staffing allows	Planning Manager	Staffing costs shown in 4.0	Budget adjustment made to continue contract planner position.	Complete and ongoing.	Staff meet the recommended timelines 95% of the time. When delays occur, they are typically no more than 1-2 days. Compliance is monitored through the Development Review Committee process.

<b>No.</b>	<b>Recommendation</b>	<b>Pri- ority</b>	<b>Timeline to Initiate</b>	<b>Responsibility</b>	<b>Cost</b>	<b>Currently budgeted? If not, staff funding recommendations</b>	<b>Current status of this recommen- dation</b>	<b>Staff comments about implementing this recommendation</b>
5.4	Use Tidemark system to alert for deadlines and measure development review performance in Planning	1	FY 2002-03	Planning Manager	No additional cost (system is being implemented)		Complete and ongoing.	
5.5	Track re-submittals in Planning and review when more than one is required	1	FY 2002-03	Planning Manager	No cost	No budget impact.	Complete and ongoing.	This has been added to the Division Work Plan as a performance measure.
5.6	Clarify customer service policies and notify applicants	1	Immediate	Planning Manager	No cost	No budget impact.	In process. This should be complete by 7/04.	To be included in the update of the policy and procedures manual.
5.7	Document meeting results in writing	1	Underway	Planning Manager	No cost	No budget impact.	Complete and on-going	This recommendation is already a standard practice.
6.1	Base Architectural and Site Review on definitive standards	1	Underway	City Council/ ARB/Comm. Dev. Director	ARB handbook and design review ord. underway. Added cost \$4,000	Budgeted 02-03.	In process. The ARB will review a draft of the Handbook on 4/1/04. Completion expected by 7/04.	

<b>No.</b>	<b>Recommendation</b>	<b>Pri- ority</b>	<b>Timeline to Initiate</b>	<b>Responsibility</b>	<b>Cost</b>	<b>Currently budgeted? If not, staff funding recommendations</b>	<b>Current status of this recommen- dation</b>	<b>Staff comments about implementing this recommendation</b>
6.2	Cite specific standards for architectural and site design requirements	1	Immediate	ARB/Planning Manager	No cost	No budget impact.	In process. The ARB will review a draft of the Handbook on 4/1/04. Completion expected by 7/04.	Definitive standards will be incorporated into the Design Review Ordinance and Architectural Review Handbook.
6.3	Forward non-compliant project designs without delay to ARB for disposition	1	Underway	Planning Manager	No cost	No budget impact.	Complete and ongoing	This is now a standard practice.
6.4	Reconsider use of City-initiated PUD rezoning to control design of commercial developments	2	FY 2002-03	Community Development Director	Can be included in zoning ordinance update. No added cost.	No budget impact.	In process. The zoning ordinance update should be completed by 7/04.	City to establish PUD guidelines for economically important sites.
7.0	Consider changes to Measure P to reduce processing time and staff workloads	2	FY 2003-04	City Council/Voters	Possible cost reduction		In process. The initiative approved by voters did not reduce processing time.	The Measure C implementation committee will consider how to reduce staff processing time.
8.1	Negotiate blanket contracts with consultants for environmental review	1	FY 2002-03	Planning Manager/City Council	No cost	No budget impact.	In process. To be complete by 7/04.	



No.	Recommendation	Pri- ority	Timeline to Initiate	Responsibility	Cost	Currently budgeted? If not, staff funding recommendations	Current status of this recommen- dation	Staff comments about implementing this recommendation
8.2	Phase out multiple files for a single project	1	FY 2002-03	Planning Manager	No cost	No budget impact.	Deferred due to budget constraints.	Projects are being filed under single file number; however, some projects require multiple files due to the volume of paperwork. For this recommendation to be implemented most fully, the Division should update Tidemark, which would incur both software and hardware expenses.
<b>Engineering Division Recommendations</b>								
9.1	Reduce processing time goals for initial submittals in Engineering to 6 weeks	1	FY 2002-03	Public Works Director	Minimal cost	No budget impact.	Complete	
9.2	Comply with recommended timelines for building plan check review	1	FY 2002-03	Public Works Director	Minimal Cost	No budget impact.	Complete and ongoing.	
9.3	Use Tidemark system to alert for deadlines and measure development review performance in Engineering	1	FY 2002-03	Public Works Director	No cost	See notes on recommendation 1.	Deferred due to budget constraints.	See notes on recommendation 1. Deploying Tidemark in PW is currently on hold.

No.	Recommendation	Pri- ority	Timeline to Initiate	Responsibility	Cost	Currently budgeted? If not, staff funding recommendations	Current status of this recommen- dation	Staff comments about implementing this recommendation
9.4	Track re-submittals in Engineering and review when more than two are required	1	FY 2002-03	Public Works Director	No cost	No budget impact.	Complete	
9.5	Clarify customer service policies and notify applicants	1	Immediate	Public Works Director	No cost	No budget impact.	Complete	
9.6	Document meeting results in writing	1	Immediate	Public Works Director	No cost	No budget impact.	Complete	
10	Develop fast-track processing procedures in Engineering for simple projects	1	FY 2002-03	Public Works Director	Minimal cost	No budget impact.	Complete.	The processing speed has increased with the placement of an engineer at City Hall. Staff have developed written procedures.
<b>Building Division Recommendations</b>								
11.1	Define plan check timelines for different project types in Building	1	Immediate	Chief Building Official	No cost	No budget impact.	Complete.	
11.2	Route building plans to other divisions within 2 work days	1	Immediate	Chief Building Official	No cost	No budget impact.	Complete	
11.3	Eliminate unnecessary routing of building plans to other divisions	1	FY 2002-03	Chief Building Official	No cost	No budget impact.	Complete	

No.	Recommendation	Pri- ority	Timeline to Initiate	Responsibility	Cost	Currently budgeted? If not, staff funding recommendations	Current status of this recommen- dation	Staff comments about implementing this recommendation
11.4	Do in-house plan check for all building plans with a recommended plan check goal $\leq$ 5 days	2	FY 2003-04	Chief Building Official	Possible cost reduction.	No budget impact.	Complete	
11.5	Track review times for all units involved in plan check process and prepare reports	1	FY 2002-03	Chief Building Official	Minimal cost	No budget impact.	Complete	
12.0	Respond to 95% of building inspection requests within 1 work day and all within 2 days	1	Ongoing	Chief Building Official	No cost	No budget impact.	Complete	
13.0	Create a full-time position for a building maintenance supervisor	2	FY 2003-04	Community Development Director	Unknown. Much of cost should be offset by savings in contract services	Could be budgeted for FY 05-06. Staff estimate that \$12k in contract plan check fees would help offset the staffing increase.	Deferred for another year due to budget constraints.	Staff are studying the City's facilities maintenance structure and operations, and will consider this recommendation as part of the study.
14.0	Reclassify one existing building inspector position to a senior building inspector position	2	FY 2003-04	Community Development Director	Added cost approx. \$10,000 per year	Proposed in FY 03-04 budget.	Complete	
15.0	Develop more detailed application brochures for most common types of plan checks	1	FY 2003-04	Chief Building Official	Minimal cost	No budget impact.	Complete.	



## **CITY COUNCIL STAFF REPORT**

**MEETING DATE: March 24, 2004**

**Agenda Item # 3**

**Prepared By:**

**Manager, Recreation &  
Community Services**

**Submitted By:**

**City Manager**

### **CONCESSION OPPORTUNITIES AT THE AQUATIC CENTER**

**RECOMMENDED ACTION(S):** Have the City operate the Aquatic Center Concessions for this base line year; Direct staff to enter into a consulting contract with Profitable Food Facilities (PPF) for \$11,000 from the unallocated General Fund; and allocate \$70,000 from the unallocated General Fund for start-up operational costs.

**EXECUTIVE SUMMARY:** Staff has been researching every opportunity to achieve 100% operating cost recovery of the aquatics center as directed by Council. One area of potential revenue is the food concession, which is the number one area that produces revenue after park entry. A request for proposals from local Morgan Hill food vendors was sent out in July 2003 through the Morgan Hill Chamber, a local newspaper ad, and to local businesses who expressed interest. No formal responses were received but staff did discuss kitchen site plans and issues with two interested vendors. The proposal request was revised to depict the current kitchen plans and sent out again. Two local vendors responded: BookSmart and Friendly Fred's. (Attachments A & B). Meanwhile, staff researched the cost effectiveness of operating the food concession internally and brought in *Profitable Food Facilities (PPF)* consultant Mike Holtzman to review the kitchen site plan and prepare a comparison of the two vendor proposals while incorporating a third option by which the city operates the concession.

*PPF* Consultant Mike Holtzman created a menu (exhibit C) and has completed an evaluation of the operators as well as provided a kitchen site plan and equipment list to meet our business goals. He has provided recommendations on how to maximize the revenue potential of the operation with suggestions for increased efficiency, quality, and profitability, and examined opportunities for increased sales. After a review of the proposals, a site visit, and research of the Aquatic Center's operational goals, Mr. Holtzman strongly recommends that the concession be operated by the City (Attachment D).

Manager Spier agrees with the findings, but has concerns regarding resources to successfully handle the overall requirements to initiate a new aquatic center facility and an entirely new aquatics program along with a food concession operation. Mr. Holtzman was asked to provide a proposal for a scope of services that would support the successful opening day concession operation. This scope includes assisting with the opening of the new food service operations and to have all of the operating systems in place including pre-opening activities, staff training, policies and procedures, job descriptions, staffing recruitment assistance, and procedural lists for the operation of the kitchen (Attachment # E). Manager Spier is recommending to Council that we operate the concession and to hire *PPF* to assist us in the successful preparation to be operational by opening day. Manager Spier would not recommend operating the concession in-house without the assistance of the consultant for this initial year due to the timeline and preparation guidelines.

**FISCAL IMPACT:** Potential difference in cost recovery from 10% by outside vendor(s) to 30% if operated in-house based on conservative estimates. Staff recommendation to operate the concession requires a one-time budget adjustment of \$81,000 from unallocated General Fund as follows: \$11,000 for *PPF* consulting services and operational start up funds of \$70,000. Initial year cost recovery is \$19,000 net with a projected annual net cost recovery of \$30,000.

**AGENDA BUDGET SCORECARD****FISCAL 2003/04****Adjustment #:**

081

**FUND:****DEPARTMENT:****OBJECT****PROJECT NUMBER:**

317	RDA
8055	BAHS CIP
86200	Professional Services
226000	Aquatic Complex

**AGENDA DATE:****AGENDA ITEM TITLE:**

03/24/04
Concession Opportunities at the Aquatics Center

	<b>07/01/03 BEGINNING FUND BALANCE</b>	<b>ESTIMATED REVENUES</b>	<b>APPROPRI- ATIONS</b>	<b>06/30/04 ENDING FUND BALANCE</b>
<b>ORIGINAL BUDGET</b>	20,860,548.00	23,586,573.00	27,346,151.00	17,100,970.00
<b>CUMULATIVE REVISIONS PRIOR TO RECOMMENDED ACTION</b>	12,618,463.16	822,142.00	13,544,851.06	(104,245.90)
<b>RECOMMENDED ACTION</b>	-	-	11,000.00	(11,000.00)
<b>RESULT OF RECOMMENDED ACTION</b>	<u>33,479,011.16</u>	<u>24,408,715.00</u>	<u>40,902,002.06</u>	<u>16,985,724.10</u>

**AGENDA BUDGET SCORECARD****FISCAL 2003/04****Adjustment #:**

082

**FUND:****DEPARTMENT:****OBJECT****PROJECT NUMBER:**

317	RDA
8055	BAHS CIP
86450	Fixture, Furnishing & Equipment
226000	Aquatic Complex

**AGENDA DATE:****AGENDA ITEM TITLE:**

03/24/04
Concession Opportunities at the Aquatics Center

	<b>07/01/03 BEGINNING FUND BALANCE</b>	<b>ESTIMATED REVENUES</b>	<b>APPROPRI- ATIONS</b>	<b>06/30/04 ENDING FUND BALANCE</b>
<b>ORIGINAL BUDGET</b>	3,867,201.00	23,586,573.00	27,346,151.00	107,623.00
<b>CUMULATIVE REVISIONS PRIOR TO RECOMMENDED ACTION</b>	12,618,463.16	822,142.00	13,555,851.06	(115,245.90)
<b>RECOMMENDED ACTION</b>	-	-	40,000.00	(40,000.00)
<b>RESULT OF RECOMMENDED ACTION</b>	<u>16,485,664.16</u>	<u>24,408,715.00</u>	<u>40,942,002.06</u>	<u>(47,622.90)</u>

**AGENDA BUDGET SCORECARD****FISCAL 2003/04****Adjustment #:**

083

**FUND:****DEPARTMENT:****OBJECT****PROJECT NUMBER:**

010	General Fund
2120	Aquatics Center
41270	Salaries-Part-Time
000000	Not Applicable

**AGENDA DATE:****AGENDA ITEM TITLE:**

03/24/04
Concession Opportunities at the Aquatics Center

	<b>07/01/03 BEGINNING FUND BALANCE</b>	<b>ESTIMATED REVENUES</b>	<b>APPROPRI- ATIONS</b>	<b>06/30/04 ENDING FUND BALANCE</b>
<b>ORIGINAL BUDGET</b>	10,633,442.00	16,073,853.00	16,445,192.00	10,262,103.00
<b>CUMULATIVE REVISIONS PRIOR TO RECOMMENDED ACTION</b>	79,660.17	-	146,652.17	(66,992.00)
<b>RECOMMENDED ACTION</b>	-	-	30,000.00	(30,000.00)
<b>RESULT OF RECOMMENDED ACTION</b>	<u>10,713,102.17</u>	<u>16,073,853.00</u>	<u>16,621,844.17</u>	<u>10,165,111.00</u>



## ***CITY COUNCIL STAFF REPORT***

***MEETING DATE: March 24, 2004***

**Agenda Item # 4**

**Prepared By:**

**Council Services &  
Records Manager/  
City Clerk**

**Submitted By:**

**City Manager**

### **APPROVE MAYOR'S REQUEST FOR REAPPOINTMENT TO THE AIRPORT LAND USE COMMISSION**

#### **RECOMMENDED ACTION(S):**

- 1. Approve the Mayor's request for consideration of reappointment to the Airport Land Use Commission by the Santa Clara County Cities Association's City Selection Committee**
- 2. Identify other interests by Council Members to serve on the various regional boards and commissions, if any.**

#### **EXECUTIVE SUMMARY:**

In early March, an e-mail was received from Gillian Moran, Executive Director, Santa Clara County Cities Association, to inquire whether city council members were interested in appointments to various regional boards and commission (see attached letters from Ms. Moran and job descriptions).

Mayor Kennedy is requesting that the Council support his request for reappointment to the Airport Land Use Commission by the City Selection Committee. Should the Council agree with his request, the Council can so stipulate by minute action.

If there is no interest in appointment consideration to the various regional boards and commissions by Council Members, no further action is required. If you are interested in being considered for one of the various regional boards and commissions, Mayor Kennedy will be happy to forward your request to serve to the City Selection Committee.

**FISCAL IMPACT:** No Fiscal Impact.



**CITY OF MORGAN HILL  
SPECIAL CITY COUNCIL MEETING  
MINUTES – MARCH 10, 2004**

**CALL TO ORDER**

Mayor Kennedy called the special meeting to order at 7:03 p.m.

**ROLL CALL ATTENDANCE**

Present: Council Members Carr, Chang, Sellers, and Mayor Kennedy  
Late: Council Member Chang (arrived at 7:17 p.m.)  
Absent: Council Member Tate

**DECLARATION OF POSTING OF AGENDA**

City Clerk Torrez certified that the meeting's agenda was duly noticed and posted in accordance with Government Code 54954.2.

**SILENT INVOCATION**

**PLEDGE OF ALLEGIANCE**

**PUBLIC COMMENT**

Mayor Kennedy opened the floor to public comment for items not appearing on this evening's agenda. No comments were offered.

***City Council Action***

**WORKSHOP**

**1. COYOTE VALLEY SPECIFIC PLAN**

Director of Community Development Bischoff presented the staff report. He informed the Council that Salifu Yakubu, Principal Planner and team leader for the Coyote Valley Specific Plan (Plan) project; Susan Blair Walsh, Senior Planner; and Darryl Boyd, principal planner, all staff members with the City of San Jose Planning Department, were in attendance to walk the Council through the process for the development of the Plan.

Mr. Yakubu indicated that City of San Jose staff was in attendance this evening to share ideas and have the discussion about the Plan. He stated that the City of San Jose commenced the Plan in August 2002 with the Council appointing a 20-member task force to work on the Plan. He said that the City of San Jose would like to conduct an outreach with the City of Morgan Hill community, City Council and City

staff to address the work conducted to date. He encouraged the City of Morgan Hill to participate in the public process, indicating that a community meeting will be held on Saturday, March 13, 2003. It was his hope that this would be the beginning of a mutual relationship between the Cities of San Jose and Morgan Hill, staff, and citizens. He presented a power point presentation on the Plan. He indicated that there were seven major strategies, but focused on economic development (jobs-housing balance), growth management (infill development) and the greenline/urban growth boundary. He stated that the Plan is divided into three project areas: north Coyote Valley, Coyote Valley Urban Reserve and Coyote Greenbelt.

Council Member Chang entered and was seated.

Mr. Yakubu indicated that during the land planning meetings, there were strong feelings about development and that he would be obligated to inform the San Jose City Council of the comments received. He addressed the timeline for the project, indicating that the project began in August 2002 and is to conclude with public hearings in December 2005. He informed the Council that the City of San Jose will be using a number of consultants to assist with the development of the Plan and that it is proposed to develop 3 urban structure plans with three or four community workshops to be held with opportunity for public input. He stated that a similar meeting is to be conducted with the Morgan Hill Unified School District (MHUSD) as the City of San Jose would like to come up with a project that everyone will be proud of/happy with. He indicated that President Kinsella with Gavilan College has been involved in the process.

City Manager Tewes noted that it has been stated that it is a goal of the general plan to achieve a jobs/housing balance; 25,000 units and 50,000 jobs. He inquired whether it was being stated that the jobs are per employed residents. Therefore, 50,000 jobs means that there will be 50,000 employed residents in Coyote Valley. He inquired as to the ratio that is being used when it is being stated that there is to be a jobs/housing balance.

Mr. Yakubu responded that it is the vision that the Plan would be structured such that there will be internalization of traffic. He said that there will be opportunities for people who work in Coyote Valley to live in Coyote Valley. He clarified that the 50,000 number is the total number of jobs and not the total number of residents in Coyote Valley.

Mr. Boyd indicated that the jobs/housing balance will be city-wide in total. He felt that 50,000 jobs was derived from a ratio when the campus industrial designation was created, assuming that the City of San Jose would have 3 employees per 1,000 square foot of campus industrial development. However, this is an assumption that will need to be retested through this process. If the models for industrial development is changing toward greater densification, less campus industrial type of development, this may change the jobs/housing number.

Council Member Sellers noted that materials presented this evening seem to indicate that there would be community serving retail.

Mr. Yakubu indicated that the Plan stipulates that the area has to be self sufficient and not impact the rest of the community. Therefore, there will be retail to service the residents of the area. He said that

the vision has been silent about a regional retail such that it would draw individuals from other areas, indicating that this has not been addressed to date. He stated that there is a 3.1 resident per dwelling unit density in San Jose.

Mr. Bischoff said that County-wide, you can figure approximately 1.6 employed residents per household, on average.

Planning Commissioner Mueller inquired as to the amount of retail that would be required to service a town of 75,000 individuals?

Mr. Yakubu did not know the answer to Planning Commissioner Mueller's question. He informed the City Council that the City of San Jose has retained the services of a retail expert who can be called upon to assist with these types of questions.

Mr. Boyd indicated that it is the concept to create a "new town" that will allow for implementation of all the smart growth principles. He said that theoretically people can live in Coyote Valley and shop in this community. He said that development would be an average of 20 dwelling units per acre once you include retail, parks, flood control, schools, etc. He said that it is anticipated that approximately 7 schools will be needed, depending on the model developed for Coyote Valley.

Planning Commissioner Mueller felt that Coyote Valley has the potential of doubling the MHUSD's enrollment. He noted that the City of San Jose started with an assumption of 20% affordable housing, but that it did not depend on the profile of 50,000 jobs. He did not believe that the 20% affordable housing matched employed residents and that there would be enough housing developed to match the type of jobs to be generated. Therefore, the City of San Jose will be importing workers from elsewhere, more likely from the south.

Mr. Yakubu noted that this is the beginning of the development process and that the City of San Jose felt that it would be important to meet with the City of Morgan Hill early on in the process. How schools and other services will be funded will be studied. It is proposed to conduct outreach that will include monthly task force meetings and monthly technical advisory committee meetings, indicating that City of Morgan Hill Planner Rebecca Tolentino attends the technical advisory committee meetings. He noted that Morgan Hill Planning Commissioner Bob Benich attends the task force meetings. He stated that the City of San Jose will conduct property owner outreach meetings, including a meeting with the MHUSD, Valley Transportation, Santa Clara Valley Water District, and others. He indicated that several public hearings will be conducted as well. San Jose City staff will attend Parks and Recreation Commission and the Bicycle Trails and Advisory Committee meetings. He stated that the City of San Jose would like to attain as much input as possible as this project moves along. He informed the City Council that the City of San Jose sent out requests for proposals to 60-70 consultants across the country. After three stages of interviews and presentations before the Task Force, it was decided that the Dahlin Group was the best consultant for the work as they had the growth capabilities and skills to bring to this project. He identified the other consultants that have been retained to assist with the Plan. He stated that the Plan, design guidelines and zoning is proposed at \$2 million. However, the entire project is budgeted at \$11 million as it is an important project to the City of San Jose.

Mr. Boyd addressed the habitat conservation planning process. He recognized that there will be a substantial number of regulatory permits required and that the City of San Jose is sorting out what options would be best in terms of securing permits for the Plan.

Mayor Kennedy inquired whether the City of San Jose created a habitat conservation plan in Coyote Valley associated with the widening of Highway 101.

Mr. Boyd indicated that in 2001 there was a biological opinion issued by the Wildlife Service for five projects: Highway 101 widening, Bailey-Highway 101 interchange, the Coyote Valley Research Park Project/Cisco as well as other VTA projects. He said that one of the conditions of the biological opinion was that the County, the City of San Jose, and VTA participate together in the preparation of a habitat conservation plan, indicating that the plan is lagging behind. He said that one of the requirements was to provide mitigations for Bailey-Highway 101 and that VTA is trying to do so at this time to satisfy this requirement. He stated that the City of San Jose is participating in this effort but that the actual mitigation lands have not been purchased to date. However, there is an effort underway to try to do so.

Planning Commissioner Mueller noted that the Plan is proposed to be in place/adopted by January 2006. He inquired how long before construction is to take place. He noted that more than \$10 million is being spent to complete this Plan. He indicated that the State, the City and some of the industrial developers have paid \$200-300 million into the infrastructure and that this is starting to approach a \$300 million investment. He inquired how anyone can sit on this amount of investment for a long period of time. He inquired when the entitlements for industrial parks expire if they do not commence construction.

Mr. Yakubu said that EPS Consulting will be preparing a marketing analysis in order to determine what the market will bear. He said that it has been the City of San Jose's experience, with a specific area plan, that it takes a long time to break ground.

Mr. Boyd indicated that there is no expiration date to develop land based on the City of San Jose's land use process. He said that it is important to recognize that the campus industrial property owners have spent a substantial amount of money over the past 12 years. Some of the campus industrial properties have approved planned development zonings that will never go away. He said that one of the issues that needs to be sorted out is how the 6.6 million square feet approved for Cisco in the campus industrial area is accounted for. He said that the City of San Jose may be thinking of a different model for campus industrial; something that is denser, more urban/mixed use. He said that there will be questions similar to this that will need to be answered.

Mr. Yakubu provided the City Council with the Task force meeting schedule, noting that there are four community workshops included in the timeline. He stated that the City of San Jose has a dedicated website for this project and will include progress reports/meeting materials that have been shared with the Task Force since 2002. He invited the City Council to visit the website. He thanked the City Council and staff for making this evening's presentation possible, noting that a lot of answers are not available at this time as the process has just begun. However, this meeting will allow the City of San Jose to hear Morgan Hill's concerns and questions.

Planning Commissioner Benich expressed concern that this project will have a great impact to the

MHUSD. He said that the City of San Jose needs to make sure that the proper individuals within the MHUSD are involved and working with the consultants relating to the number of schools that will be needed, the placement of schools and the land area that will be needed for schools. He said that the MHUSD is having problems with the Sobrato High School, as well as administrative problems that include a possible recall election. He did not know whether MHUSD is thinking about this Plan or whether they would have the resources to assign to this Plan. He felt that the City needs to be on top of this Plan between now and August 2004 as this is the time when actions will be taking place.

Ms. Walsh indicated that the City of San Jose plans to set up a meeting with the MHUSD as soon as possible.

Mayor Kennedy offered Morgan Hill planning assistance to help in this process as the School District has a lot on their plate at this time.

Mr. Boyd said that there will also be a need for church and/or hospital land. He felt that there may be many ways that the City of San Jose and Morgan Hill can collaborate that would be mutually beneficial.

Planning Commissioner Mueller said that Morgan Hill can help with input on medical services.

Mr. Bischoff noted that what has been presented is a very short timeframe and that he was not sure it afforded much opportunity for collaboration and provide meaningful input. He said that it would be helpful to be able to review project alternatives. With regard to the compressed timeframe, he stated that whenever the City of Morgan Hill has taken on a major planning study, a major component to the study is a transportation analysis. The City of Morgan Hill evaluates various land use alternatives/scenarios. It also looks at traffic models and implementation plans. He felt that this will be a critical issue to the City of Morgan Hill. If the City of San Jose is going to use traffic consultants, he did not know how they would be able to respond to the various alternatives within the timeframe identified. He inquired whether the City of San Jose would be able to assess traffic impacts as it is developing project alternatives.

Mr. Yakubu said that it would be fair to state that the consultants have a long history and come with a background and experience of projects in this area. It is his hope that some of the modeling and technical work can be expedited. He emphasized that the City of San Jose will plan the project correctly and that if there is a need to rearrange the schedule, it will be considered.

Mayor Pro Tempore Sellers said that Morgan Hill knows Coyote Valley better than its counterpart in San Jose. He stated that schools will be overly impacted in the elementary school level at the beginning and have declining enrollment later down the road. He felt that the City of San Jose needs to be looking at the impacts to the MHUSD. He stated that the City of San Jose needs to formulate the impacts on the specific community that is to be built. He felt that the 20% affordable level was a good floor number to start with. He felt that this percentage would be exceeded because the dwelling units per acre will create affordable issues that relate to the density proposed. He encouraged the City of San Jose to set the affordable level greater than 20%, looking at 25% or 30%. He said that the City of Morgan Hill has been able to provide a greater percentage of housing affordability attributable to the Redevelopment Agency as well as the City's residential growth control system. He noted that the current economy is

volatile and that it looks like Silicon Valley will be slow to grow. He inquired whether the Plan projects 50,000 jobs or will it be space for 50,000 jobs. He expressed concern that someone will run the numbers and state that the project needs to build enough for 50,000 jobs and then build housing. He inquired whether the jobs would come along with the buildings or whether it will be a requirement to build sufficient housing for the jobs.

Mr. Yakubu said that jobs are tied to building permits at this time.

Mayor Pro Tempore Sellers said that the City of Morgan Hill is in the process of rebuilding healthcare facilities and that there is excess capacity at this time. He encouraged consideration be given to the fact that Coyote Valley will be able to access two service hospitals for healthcare services within 5 minutes.

Planning Commissioner Mueller stated that he would agree to identify other individuals who can address healthcare. He indicated that the community is in the process of investing a lot of money into an existing facility that can very easily service Coyote Valley.

Mayor Pro Tempore Sellers stated that the City of Morgan Hill is trying to meet semi regional and community needs. He said that it would be of significant concern to the City of Morgan Hill if the Plan was to try to reach regional needs as well. He acknowledged that basic needs need to be met such as grocery stores and related stores. However, regional needs would make Morgan Hill anxious and recommended that the City of San Jose steer away from these as much as possible.

Council Member Chang said that if 50,000 jobs are being considered and that all employees will not reside in Coyote Valley. She felt that individuals who reside in the Morgan Hill and Gilroy area would try to work in the industrial park and that traffic from this area will heavily impact Highway 101 and Santa Teresa Boulevard. She requested that consideration be given to traffic impacts to these areas.

Mayor Kennedy felt that the most important issue to the City of Morgan Hill is having a meaningful way to provide input. He indicated that the City of Morgan Hill is one of the stakeholders. He did not believe that being a stakeholder is sufficient for the City of Morgan Hill, adjacent to Coyote Valley, to provide meaningful input. He felt that the City of Morgan Hill needs to be able to have its own issues and points laid out and presented to the City of San Jose. He inquired whether there was a member to which the City of Morgan Hill can have a direct line to present its information. He recommended that Mr. Bischoff work with Mr. Yakubu or an alternate staff member to go beyond the stakeholder meetings and provide a mechanism that has meaningful input.

Mr. Yakubu indicated that Mayor Kennedy offered a good suggestion. He noted that City of Morgan Hill Planner Rebecca Tolentino has been good about attending the technical advisory committee meetings. He said that this committee may be the avenue to collaborate and help direct this project.

Mayor Kennedy recommended that meetings be held with the Morgan Hill Planning Commission, Morgan Hill Health Foundation, City Council, and the City's traffic engineers. He noted that the City of Morgan Hill is working on an urban limit line to develop a growth/greenbelt between the cities. He felt that the School District issues are critical.

Council Member Carr agreed that if there is one thing that the City of San Jose staff members walk away with from tonight's meeting is that the City Council feels a great need to have official involvement. He said that the lack of having official involvement in the Task Force level is troubling for everyone in South County. He said that finding a way to allow the City of Morgan Hill to have official involvement is important, even if it is in the form of having additional meetings similar to the meeting being held this evening or a seat on the task force. He felt that it was great that San José came to Morgan Hill to advise it of the process. He said that Morgan Hill needs to be sitting at the table with the City of San Jose when it formulates the details for the project, prior to identifying mitigations. He said that there is a list of items that the City is concerned about (e.g., impacts to the schools/Gavilan College, economic development, healthcare, and traffic) and that it is when these items are discussed that the City of Morgan Hill needs to be involved.

Planning Commissioner Mueller said that it would be nice to have an idea of the values that would guide the decision making process. He did not know if these values have been articulated in detail. He said that examples of values are: pedestrian friendly, quality of life to the individuals who will live in Coyote Valley, or impacts to adjacent neighborhoods. He did not see the value framework being articulated. He felt that there needs to be more than a pure vision statement and that there needs to be some values behind the vision. He noted that this portion of Coyote Valley is closer to Morgan Hill than it is to San Jose. He would not like the end product to look like the rest of San Jose. He would like to see the end product compliment Coyote Valley and the historic nature of Coyote Valley so that as Morgan Hill residents drive into San Jose, it is not hit with a highly urban, residential development. He felt that it would take a unique way to approach the development of Coyote Valley.

Mr. Yakubu said that the City of San Jose shares Morgan Hill's thoughts on this issue. The City of San Jose believes that it would be important for Coyote Valley to have its own character and not look like some areas in San Jose such as being a part of the Evergreen area. He felt that Mr. Kinkade can help with this vision.

Mr. Boyd said that there may be more than one way to achieve Planning Commissioner Mueller's concern. There may be an agreement that Coyote Valley needs to have a unique characteristic but the question is how you manifest this. This may mean low residential development or no high rise development. He felt that there were different ways to accomplish a unique character such as retaining a lot of open space.

Planning Commissioner Mueller did not believe that the consultant should be driving the design but that it should be the committee's vision of Coyote Valley that drives the design.

Mr. Boyd said that the workshop scheduled for Saturday is a meeting that will start the development of guiding principals. He said that there may be some principles within the Greenbelt Alliance Plan that can be agreed upon. He felt that there are other areas that will have a lot of common ground on guiding principals contained within both Cities' General Plans. He reinforced the fact that the City of San Jose is trying to embark upon a different model. This is the reason why the City of San Jose hired six technical consultants, engineers, and David Powers and Associates to describe the existing setting in the environmental impact report and base land planning on this information. He said that there is a lot of information that needs to be shared and disseminated with the public in order to develop guiding

principals.

Mayor Kennedy noted that the Greenbelt Alliance proposal was mentioned and that it was his impression that it was not well received by the City of San Jose.

Mr. Yakubu said that he participated in the process of the development of the Greenbelt Alliance Plan. As professionals, he felt that there were good solid principals in the Greenbelt Alliance vision. Their presentation last month was well received and that the City of San Jose's land planning consultants complimented them for their vision. At the task force meetings, it was stated that some of the Greenbelt Alliance ideas warranted examination as far as the planning process is concerned. However, the City of San Jose also understands that their vision is not based on the science needed to conduct a specific plan. He indicated that Greenbelt Alliance understands that this is not a plan but a vision. He felt that there was some school of thought that the Greenbelt Alliance Plan was not a collaborative effort. He felt that there could have been a better working relationship, coming together and collaborating on this specific plan. He stated that the City of San Jose sees the Plan as a resource of the Greenbelt Alliance's vision, indicating that it contains great ideas. To the extent something works and has been tested in the Plan, it will be incorporated.

Ms. Walsh indicated that the Greenbelt Alliance has a member serving on the technical advisory committee and that they have asked that their group of technical experts share the information they develop. She felt that this was a good suggestion.

Director of Public Works Ashcraft indicated that the City of Morgan Hill is currently working on a potential amendment to the Circulation Element. He said that staff believes that the key to the City's circulation is whether Monterey and the Freeway function appropriately. He noted that the City of San Jose' map of Coyote Valley shows a connection to the Bailey interchange and a connection for Bailey to Monterey. However, the map does not show that Coyote Creek Drive connects to Monterey Road. He inquired whether this connection is contained in the City of San Jose's general plan and whether it was a possibility to build the interchange at this connection.

Mr. Boyd said that City of San Jose always referred to the connection as the Scheller interchange. He did not recall when it got pulled from their general plan or why. He indicated that staff would investigate this question.

Mr. Yakubu said that the connection would be needed for residential development and not so much for the jobs to be created. He indicated that the average housing per acre in San Jose is between 8-16 single family dwelling units.

Mr. Bischoff indicated that the average single family housing in Morgan Hill is 4-5 dwelling units per acre.

Mr. Boyd said that the City of San Jose does not build much single family detached units or low density residential development. If constructed, they are on small lots at the size of approximately 3,500-4,000 square foot lots. Most of the residential development is approved at the 12-20 units per acre as a function of land costs.



Mr. Bischoff noticed that the Plan focuses on the north of Coyote and the urban reserve and not so much on the greenbelt. He inquired whether it is anticipated that the greenbelt is to remain primarily unincorporated.

Mr. Yakubu said that the City of San Jose wants to emphasis the greenbelt as it is part of the specific planned area. He said that the City of San Jose has been working with a facilitator and that one of potential areas being explored is to hold a stakeholders meeting with property owners and individuals who have some interest in the Coyote greenbelt area. As part of the process, the City of San Jose wants to be able to define the greenbelt area. He said that the ground rules given to date state that the Plan is to come up with activities that will mention greenbelt as a perpetual greenbelt. He said that it may be possible to incorporate the greenbelt into the City of San Jose and keep it outside the urban growth boundary. This will ensure that the greenbelt area will not be subject to urban development.

Mr. Bischoff noted a plan has not been identified on how the greenbelt is to be preserved. He stated that several years ago the County developed guiding principals for the greenbelt. He said that the City of San Jose has identified the area as a greenbelt but that the County does not have policies in place to ensure that this area will remain as a greenbelt. He indicated that there has been increased pressure from churches and other non greenbelt users. He felt that it was critical that the City of San Jose develops policies and works cooperatively with the City to ensure that when the greenbelt area is annexed so there is still a greenbelt area to preserve.

Mayor Kennedy said that the Urban Limit Line Committee held a meeting Monday night attended by Ann Draper. One issue that has been raised several times is whether the City of Morgan Hill should rely on the City of San Jose's greenbelt to remain as a greenbelt between the two cities. At this point, the City of Morgan Hill would like to rely on the City of San Jose to protect the greenbelt.

Mr. Boyd said that one of the concepts that the City of San Jose has had from the beginning is to avoid biological impacts to the maximum degree possible. However, to the extent that there are impacts to biology, one possibility that has been discussed is whether the greenbelt can be used for mitigation lands. He said that you can start to create vehicles that would allow for the purchase of some of the land in the greenbelt as a way to jump start keeping the land as greenbelt. He complimented the City of Morgan Hill for the policies contained in the updated General Plan.

Mayor Kennedy noted that the origin of Fischer Creek is located near Morgan Hill. One thought would be to create a wetland as a retention pond that flows from Fischer Creek similar to what is being proposed at the southern end of Santa Clara County for the Pajaro River.

Mr. Boyd said that hydrology is one of the biggest issues for development in the urban reserve for a variety of reasons. He stated that this is a concept that has been discussed and that it was found that it may take approximately 25% of the urban reserve area to deal with flood issues, water quality, etc. There is thought that these same lands can be used for parks.

Mr. Yakubu indicated that approximately 38% of the greenbelt properties are publicly owned (e.g., Santa Clara County, Water District).

Mayor Kennedy noted that the City of Morgan Hill has Butterfield Boulevard, a new major north/south arterial in the community that is located east of Monterey Road. Therefore, Santa Teresa Boulevard and Hale Avenue have been used much less as a north/south corridor. When the City of Morgan Hill started the process to provide for an at grade crossing to connect Butterfield Boulevard to cross traffic, the City was stopped by the PUC and Union Pacific as they no longer allowed at grade crossings. What the City of San Jose does, as far as north/south arterials, in terms of how it interfaces with the north side of Morgan Hill, will be critical.

Mr. Boyd said that there is recognition that traffic interface between Morgan Hill and San Jose should match up in terms of connections. The City of San Jose believes that it needs to be able to tie connections together at the south end of the valley north of Morgan Hill. This is another reason it is important for both cities to work together to make sure that the City of San Jose knows what Morgan Hill is planning.

Mayor Kennedy requested that staff furnish the City of San Jose with a copy of the City's circulation plan.

Mayor Pro Tempore Sellers said that one of the biggest errors/fallacies perpetuated in the early phases of the Coyote Valley discussions was the notion that 80% of the traffic was heading north. He said that the growth in Morgan Hill is specifically attributable to the growth north of Morgan Hill. Morgan Hill is looking at growth in its transportation infrastructure that needs to be anticipated. He requested that a transportation element be a part of this Plan.

Mr. Bischoff indicated that there is a housing shortage in Santa Clara County. He said that it is hard to explain how adding more jobs versus housing units would encourage individuals to live north of the site where there is insufficient housing being built. This would be the case even if it is planned to construct the housing at the same time that the jobs are created. He felt that this would be exacerbated if housing lags behind jobs. He stated that it is critical that housing units be built sooner rather than later.

Mr. Yakubu said that the City of San Jose City Council has been clear that they want to balance housing with jobs in this area.

Mr. Bischoff said that the density development of the area would be attractive to a certain type of individual (e.g., individuals who can only afford higher density housing). However, there are a significant number of individuals who would prefer to have a single family detached housing unit at a cost of \$600,000 rather than purchasing a townhome. These individuals will be commuting through Morgan Hill to get to Coyote Valley and will exacerbate traffic impacts.

Mayor Kennedy felt that it was critical that the triggers be changed such that the housing is built upfront or at least at the same time that the jobs are created in order to avoid adverse traffic impacts.

Planning Commissioner Mueller noted that it was stated that approximately 50,000 jobs could be accommodated in a 16 million square foot area. He felt that there was a trend toward higher density employees per square foot. He recommended that the City of San Jose revisit the assumption that was

used. He said that more people are being placed per square feet in order to be more efficient. He stated that the amount of time that an employee spends working for a particular employer is short lived, a little over two years in this area. He did not know how you can balance jobs with employers when individuals move around that much. He felt that there needs to be more/faster mass transit service in the area as people will relocate jobs.

City Manager Tewes requested that the staff from the City of San Jose forward a copy of the memorandum to be prepared regarding the discussions that have been undertaken this evening so that the City of Morgan Hill will know what was heard this evening. He inquired what the team will be doing with the City of Morgan Hill's most important request relating to official representation. He said that the City of Morgan Hill will take responsibility for making sure that it communicates with the City of San Jose as well but that he wanted to make sure that the City of San Jose's planning team has heard this request and will do something with it.

Mr. Boyd indicated that the City's request for official representation would be forwarded to the City of San Jose Mayor's office as it was the Mayor and City Council who appointed the task force. He requested that the City of Morgan Hill think about the best way to interact as a group. He said that he senses, from the City of Morgan Hill, that there needs to be higher level discussions beyond the technical advisory committee meetings. He said that San Jose planning staff is sincere and is open to suggestions.

Mayor Kennedy suggested other meetings similar to this evening's meeting be held as a starting suggestion.

Planning Commissioner Benich noted that 3 out of 7 strategies were identified. He requested identification of the other four strategies.

Mr. Boyd responded that the other four strategies include: urban conservation and preservation, downtown revitalization, sustainable city, and growth management.

Carol Holzgrafe inquired what would happen to the plan if MHUSD does not agree to participate.

Ms. Walsh said that the City of San Jose is planning to make a presentation to the MHUSD similar to what is being presented this evening. It is their hope to partner with the MHUSD in an effort to improve the school situation.

Planning Commissioner Mueller recommended that a couple of members from the School Board be invited to future meetings to be held between the Cities of San Jose and Morgan Hill.

Mayor Pro Tempore Sellers felt that the City of San Jose may want to have a separate school issues group meeting with the MHUSD as their issues are unique. He said that it has been indicated that communities build their own schools. He said that MHUSD has to figure out how it will build schools as the community grows. If the City of San Jose will be building its own schools and paying for them, this would be important information to know. If the City of San Jose is not planning to build its own schools, it is important to know this information as well.

Council Member Carr noted that school fees coming from San Jose to the MHUSD are significant less than what comes out of Morgan Hill development into the School District.

Mr. Yakubu clarified that the City of San Jose has not figured out how it would pay for the schools and that EPS would be helping with school issues.

Planning Commissioner Mueller said that it would be great to have a mechanism in place to decide when the next meeting is to occur. He noted that a lot of activity is scheduled for this summer that would necessitate a lot of decisions being made.

Mayor Kennedy agreed that it would be helpful to receive feedback on the report to be prepared. He requested that a follow up meeting be scheduled and that School Board members be invited to said meeting.

Ms. Walsh indicated that the City of San Jose staff will contact the MHUSD to schedule a meeting and that perhaps this could be a joint meeting.

**Action:**        *The City Council **Provided** the City of San Jose with the above comments regarding the Coyote Valley Specific Plan*

## **CLOSED SESSION**

### **1.**

#### **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Legal Authority:	Government Code Sections 54956.9(c)
Number of Potential Cases:	1

The Closed Session was deferred to a future meeting.

## **FUTURE COUNCIL-INITIATED AGENDA ITEMS**

No items were identified.

## **ADJOURNMENT**

There being no further business, Mayor Kennedy adjourned the meeting at 8:54 p.m.

**MINUTES RECORDED AND PREPARED BY:**

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**IRMA TORREZ, CITY CLERK**



**CITY COUNCIL/REDEVELOPMENT**  
**AGENCY MEETING DATE:** *March 24, 2004*

Agenda Item # 6

Approved By:

BAHS Director

Submitted By:

Executive Director

**LOAN FOR OFF-SITE IMPROVEMENTS FOR DAY  
WORKER CENTER**

**RECOMMENDED ACTION(S):** 1) Discuss request from Lesley Miles and Charles Weston (Developer) to modify the terms of their off-site loan, 2) Discuss off-site improvement requirements for interim uses, and 3) Direct staff how to proceed on both matters.

**EXECUTIVE SUMMARY:** At their March 17, 2004 meeting, the City Council/Redevelopment Agency approved a request by the Developer to reconsider the terms of the Agency loan to fund the off-site improvements for the Day Worker Center. The off-site improvements include curb, sidewalk, gutter, street improvements, lighting, engineering and inspection fees, water and sewer improvements, and utility undergrounding in-lieu fees. The loan was in an amount not-to-exceed \$180,000.

The Developer is seeking a longer term for repayment. Attached is a table comparing the approved loan terms to the requested terms. The main difference is a 5 year term versus a 7 year term. In both cases, the loan is due and payable earlier if the Developer pulls building permits for the permanent development of the site prior to the expiration of the loan period. The Agency and the Developer agreed to these terms at the February 18, 2004 City/Agency meeting, but we are seeking direction from the Agency on this matter.

At the March 17<sup>th</sup> meeting, the Agency also indicated they would like to discuss the issue of off-site improvements for the Day Worker Center. Currently, the City's municipal code does not allow interim uses to avoid installing required off-site improvements. Some issues to consider regarding this discussion are:

- The precedence this revision would establish for other projects.
- Any revision to the City Code would take time to process and to take effect which may not meet the needs of the Day Worker Center.
- What happens if an interim use becomes more permanent? In this event, how would we enforce the installation of the improvements?
- Use of deferred improvements agreements (as background, we have attached the minutes from May 21, 2003 meeting discussing this issue as it pertained to the Granary project).

Staff will present more information on this topic at the meeting.

**FISCAL IMPACT:** A longer loan term would mean the funds would not be available for other projects for two additional years.



**CITY COUNCIL STAFF REPORT**  
**MEETING DATE: March 24, 2004**

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)  
ANNUAL ALLOCATION (FY2004-2005)**

**RECOMMENDED ACTIONS:**

1. Conduct Public Hearing
2. Adopt Resolution for Appropriation of FY2004-2005 CDBG Funds.
3. Authorize the City Manager to do everything necessary for the implementation of the CDBG Program including execution of all required contracts.

**EXECUTIVE SUMMARY:** The City of Morgan Hill will receive \$172,200 in CDBG funds for FY2004-2005. Of this amount, \$35,366 can be used for Public Services, \$15,000 for program administration, and \$121,834 can be used for Non-Public Services activities (e.g., park improvements). Last year, the City of Morgan Hill received the same amount of CDBG funds.

We have received 13 proposals requesting CDBG funds. Eleven (11) of the proposals are for Public Services funds and two (2) proposals are for the Non-Public Services funds. The public service proposals are requesting a total of \$124,205 in CDBG Funds. Only one proposal is new: Aquatic Center Youth Outreach. This City sponsored program would provide public transportation and entrance fees for lower income youth wanting to go to the Aquatics Center. It should be noted that The Lighthouse Youth Outreach program did submit an application for funding, but after the February application deadline. However, the applicant indicates he submitted his application prior to the deadline. The Lighthouse is requesting \$20,000 for FY04-05. Last year, the Lighthouse did not receive new funding, but rather a rollover of FY02-03 CDBG funds. As this issue regarding their application arose at the last minute, staff will make a recommendation regarding this application at the meeting.

Last year, the City/Agency continued to augment the \$35,366 in CDBG funds with a total of \$79,600 from the RDA 20% Housing Set-Aside, Senior Housing Trust, and Housing Mitigation Funds. Table A shows the recommended allocations. We are recommending that the City continue its support at previously funded levels which will allow us to fund the Aquatics Center Youth Outreach program.

For the Non-Public Services funds, \$50,000 is allocated to Galvan Park Improvement Project to replace the funds reprogrammed to the Day Worker Center. The remaining \$71,834 will be used to develop a masterplan for the future use of the El Toro Youth Center, YMCA, and Friendly Inn facilities. Staff is also recommending that the City budget the maximum of \$15,000 for CDBG administrative costs. For the past several years, the City has allocated the administrative funds toward non-public services projects.

**FISCAL IMPACT:** If approved, \$172,200 in CDBG, \$56,000 in RDA 20% Set-Aside, \$8,600 in Senior Housing Trust Funds and \$15,000 in Housing Mitigation Funds will be incorporated into the City/Agency's FY2004-05 budget.

Agenda Item # 7

Prepared By:

Municipal Services Assist.

Submitted By:

BAHS Director

Approved By:

City Manager

**TABLE A**

<b>NON-PUBLIC SERVICES FUNDING REQUESTS</b>				
<b>PROJECT</b>	<b>CDBG/OTHER FUNDS RECEIVED FY2003-2004</b>	<b>CDBG FUNDS REQUESTED FY 2004-2005</b>	<b>CDBG FY04/05 FUNDING RECOMMENDATIONS</b>	<b>OTHER FUNDING RECOMMENDATIONS</b>
Galvan Park Improvements (City of Morgan Hill)	\$50,000 CDBG	\$50,000	\$150,000	-0-
El Toro/Friendly Inn Expansion (City of Morgan Hill)	New	\$71,834	\$71,834	-0-
<b>TOTAL NON-PUBLIC SERVICES:</b>		<b>\$121,834</b>	<b>\$121,834</b>	<b>-0-</b>
<b>PUBLIC SERVICES FUNDING REQUESTS</b>				
Day Break Respite Program (Catholic Charities)	\$8,600 Senior Housing Trust	\$8,600	-0-	\$8,600 Senior Housing Trust
Long Term Care Ombudsman (Catholic Charities)	\$2,415 CDBG	\$4,200	\$2,415	-0-
Shared Housing @ Depot Commons (Catholic Charities)	\$15,000 RDA 20%	\$20,000	-0-	\$15,000 RDA 20%
Operation Brown Bag (Second Harvest Food Bank)	\$3,465 CDBG	\$3,465	\$3,465	-0-
La Isla Pacific Shelter for Battered Women (Community Solutions)	\$16,000 RDA 20%	\$16,000	-0-	\$16,000 RDA 20%
Homeless Shelter & Services (Emergency Housing Consortium)	\$15,000 Housing Mitigation Fund	\$15,000	-0-	\$15,000 (Housing Mitigation Fund)
Adult Day Care (Live Oak Adult Day Services)	\$3,990 CDBG	\$3,990	\$3,990	-0-
El Toro Youth Center/Friday Night Jams (Community Solutions)	\$15,500 CDBG	\$15,500	\$15,500	-0-
Tenant-Landlord Dispute Resolution (Project Sentinel)	\$25,000 RDA 20%	\$26,450	-0-	\$25,000 (RDA 20%)
South Valley Day Worker Center (St. Catherine's Parish)	\$5,000 CDBG	\$5,000	\$5,000	-0-
Youth Transportation (City of Morgan Hill)	New	\$6,000	\$4,996	-0-
<b>SUBTOTAL PUBLIC SERVICE</b>		<b>\$124,205</b>	<b>\$35,366</b>	<b>\$79,600</b>
<b>COLUMN TOTAL:</b>		<b>\$247,647</b>	<b>\$157,200</b>	<b>\$79,600</b>

Total FY2004-2005 CDBG Public Services Funds Available:	\$ 35,366
Total FY2004-2005 Admin Funds Available:	\$ 15,000
Total FY2004-2005 CDBG Non-Public Services Funds Available:	\$121,834
<b>TOTAL CDBG AVAILABLE FOR FY2004-2005:</b>	<b>\$172,200</b>

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AUTHORIZING SUBMITTAL OF FUNDING PROPOSALS FOR THE FISCAL YEAR 2004-2005 FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM.**

**WHEREAS**, the primary purpose of the CDBG program is to benefit low and moderate income individuals and families and the needs of senior citizens; and

**WHEREAS**, the City of Morgan Hill has received an allocation of \$172,200 in CDBG funds for Fiscal Year 2003-04; and

**WHEREAS**, the City of Morgan Hill may use up to \$35,366 of its Fiscal Year 2003-04 CDBG allocation for "Public Services" and up to \$15,000 for administrative costs; and

**WHEREAS**, the City Council held a public hearing on March 24, 2003 regarding the Fiscal Year 2004-05 Morgan Hill CDBG Program funds and has allocated the funds as follows:

**COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS (\$172,200)**

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Morgan Hill, hereby authorizes the City Manager to take all necessary steps to submit and implement the 30th year allocation plan including execution of all required contracts.

**PASSED AND ADOPTED** by the City Council of Morgan Hill at a Special Meeting held on the 24<sup>th</sup> Day of March, 2004 by the following vote.

**AYES: COUNCIL MEMBERS:**  
**NOES: COUNCIL MEMBERS:**  
**ABSTAIN: COUNCIL MEMBERS:**  
**ABSENT: COUNCIL MEMBERS:**

**🦋 CERTIFICATION 🦋**

**I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA**, do hereby certify that the foregoing is a true and correct copy of Resolution No. , adopted by the City Council at a Special Meeting held on March 24, 2004.

**WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.**

**DATE:** \_\_\_\_\_

\_\_\_\_\_  
**IRMA TORREZ, City Clerk**





***CITY COUNCIL STAFF REPORT***  
***MEETING DATE: March 24, 2004***

**DA 03-06/ZA 03-10: WATSONVILLE-SOUTH COUNTY HOUSING**

**RECOMMENDED ACTION(S):**

1. Open Hearing
2. Continue to April 7

**EXECUTIVE SUMMARY:**

On February 18, the Council reviewed and discussed various development alternatives for the Watsonville Road Teacher Housing Project to be completed on a 1 acre site located on the northwest corner of the intersection of Watsonville Rd. and Calle Sueno. The purpose of the February meeting was to allow the Council to review and discuss various development densities and layout proposals. The Council agreed that the 10 unit development layout appeared most appropriate for the site and requested that the project development approvals return March 24, 2004, for Council consideration.

As an affordable housing project, funding assistance will be provided by the Redevelopment Agency to South County Housing. A development agreement will need to be approved by the Redevelopment Agency as part of the development application approvals. Due to different noticing requirements for Redevelopment Agency agreements, action on the zoning and residential development agreement need to be continued to the April 7 meeting.

**FISCAL IMPACT:** No budget adjustment required

**Agenda Item # 8**

**Prepared By:**

\_\_\_\_\_  
**Senior Planner**

**Approved By:**

\_\_\_\_\_  
**Director of Community  
Development**

**Submitted By:**

\_\_\_\_\_  
**City Manager**